

(c) ADMINISTRATION OF SERVICE INSTITUTIONS.—

Section 13(b)(2) of the National School Lunch Act (42 U.S.C. 1761(b)(2)) is amended—

(1) in the first sentence, by striking "four meals" and inserting "3 meals, or 2 meals and 1 supplement"; and

(2) by striking the second sentence.

(d) REIMBURSEMENTS.—Section 13(c)(2) of the National School Lunch Act (42 U.S.C. 1761(c)(2)) is amended—

(3) by striking subparagraphs (A), (C), (D), and

(E);

(4) by striking "(B)";

(5) by striking ", and such higher education institutions"; and

(6) by striking "without application" and inserting "on

showing residence in areas in which poor economic conditions exist or on the basis of income eligibility statements for children enrolled in the program".

(e) ADVANCE PROGRAM PAYMENTS.—Section 13(e)(1) of the National School Lunch Act (42 U.S.C. 1761(e)(1)) is amended—

(7) by striking "institution: *Provided*, That (A) the" and inserting "institution. The":

(8) by inserting "(excluding a school)" after "any service institution"; and

(9) by striking "responsibilities, and (B) no" and inserting "responsibilities. No".

(f) FOOD REQUIREMENTS.—Section 13(f) of the National School Lunch Act (42 U.S.C. 1761(f)) is amended—

(10) by redesignating the first through seventh sentences as paragraphs (1) through (7), respectively:

(11) by striking paragraph (3), as redesignated by paragraph (1);

(12) in paragraph (4), as redesignated by paragraph (1),

by striking "the first sentence" and inserting "paragraph (1)";

(4) in subparagraph (B) of paragraph (6), as redesignated by paragraph (1), by striking "that bacteria levels" and all that follows through the period at the end and inserting "conformance with standards set by local health authorities"; and

(5) by redesignating paragraphs (4) through (7), as redesignated by paragraph (1), as paragraphs (3) through (6), respectively.

(g) PERMITTING OFFER VERSUS SERVE.—Section 13(g) of the National School Lunch Act (42 U.S.C. 1761(g)), as amended by subsection (f), is amended by adding at the end the following:

"(7) OFFER VERSUS SERVE.—A school food

authority participating as a service institution may permit a child attending a site on school premises operated directly by the authority to refuse one or more items of a meal that the child does not intend to consume under rules that the school uses for school meals programs. A refusal of an offered food item shall not affect the amount of payments made under this section to a school for the meal."

(h) RECORDS.—The second sentence of section 13(m) of the

National School Lunch Act (42 U.S.C. 1761(m)) is amended by striking "at all times be available" and inserting "be available at any reasonable time"

- (i) REMOVING MANDATORY NOTICE TO INSTITUTIONS.—Section 13(n)(2) of the National School Lunch Act (42 U.S.C. 1761(n)(2))